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IN THE

Supreme Court of the United States

October Term, 1961

No. 319

WOLFIES REST. INC.,

Petitioner

vs.

LINCOLN RESTAURANT CORP. and COLLINS RESTAURANT CORP., doing business as a joint venture under the firm name and style of "WOLFIES" and WOLFIES TWENTY-FIRST STREET RESTAURANT, INC.,

Appellees.

BRIEF IN OPPOSITION TO PETITION OF WOLFIES REST. INC. FOR A WRIT OF CERTIORARI.

SHAPIRO, GUBMAN & SITOMER,
Attorneys for Appellees,
1841 Broadway,
New York, New York.

IRVING SONNENSCHEIN
of SONNENSCHEIN & SHERMAN,
of Counsel.

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WOLFIES REST. INC.,

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LINCOLN RESTAURANT CORP. and COLLINS RESTAURANT CORP., doing business as a joint venture under the firm name and style of "WOLFIES" and WOLFIES TWENTY-FIRST STREET RESTAURANT, INC.,

Appellees.

———o———

BRIEF IN OPPOSITION TO PETITION OF WOLFIES REST. INC. FOR A WRIT OF CERTIORARI.

Statement of the Case

The plaintiff and their predecessors in interest have used the trade name "WOLFIES" since 1947.

The petitioner acquired a closed restaurant, the two prior owners of which had failed; made no changes thereto and spent no money for improvements, adopted the trade name "WOLFIES" which the petitioner had not theretofore used and opened for business with that trade name on February 11, 1954. On April 20, 1954 appellees caused a registered letter to be sent to the petitioner demanding that the said petitioner desist from using appellees' trade name

with a warning that steps will be taken to protect this trade name if the demand go unheeded. This was ignored by the petitioner.

After extended pretrial maneuvers the matter came on for trial before Judge Byers whose decision enjoined the petitioner's use of the name "WOLFIES". The petitioner appealed to the Circuit Court of Appeals for the Second Circuit and the decision of the district court was affirmed.

Petitioner now seeks further review to the United States Supreme Court by Petition for a Writ of Certiorari which petition should be denied.

POINT I

The petition of the defendant-appellant is defective in its failure to observe the rules of this Court.

The Revised Rules of the Supreme Court of the United States make provision for the contents of a Petition for Certiorari, which rules have been disregarded by the defendant-appellant in the following manner:

A. Petitioner failed to set forth the grounds on which the jurisdiction of the United States Supreme Court is invoked.

B. The basis for federal jurisdiction in the court of first instance has been omitted.

C. Appellant has omitted a direct and concise argument amplifying the reasons relied on for the allowance of the writ.

D. Appellant has placed matters irrelevant, immaterial and scandalous in its petition.

Point I—A

The petitioner has failed to set forth the grounds on which the jurisdiction of the Supreme Court is invoked.

The Revised Rules of the Supreme Court of the United States provide, with reference to the Petition of Certiorari that:

> "RULE 23" PETITION FOR CERTIORARI
>
> "1. The petition for writ of certiorari shall contain in the order here indicated—
>
> * * * (b) A concise statement of the grounds on which the jurisdiction of this court is invoked, showing * * *
>
> (iii) The statutary provision believed to confer on this court jurisdiction to review the judgment or decree in question by writ of certiorari."

Nowhere in the petition of the defendant-appellant can we find such a statement as to the grounds upon which this court's jurisdiction is based.

The allegation of jurisdiction set forth in the petition (p. 2) cites 28 U. S. C. 1254 (1). The section thus cited bases jurisdiction to the Supreme Court on the granting of the within petition for a writ of certiorari, and is not the basis of jurisdiction required by the aforementioned rule of this Court.

Point I—B and C

In the same way appellant has failed to observe the provisions of Rule 23 of the Revised Rules of the Supreme Court of the United States in disregard of subparagraph 1(g) and (h) which provide:

> "* * * (g) If review of the judgment of a federal court is sought, the statement of the case shall also show the basis for federal jurisdiction in the court of first instance.
>
> (h) A direct and concise argument amplifying the reasons relied on for the allowance of the writ. See Rule 19."

When one examines Rule 19 there is set forth a guide to be followed as considerations governing review on cer-

tiorari. The applicable provisions of this rule to the facts of this case are nowhere shown and are indeed absent for this case.

Point I—D

Defendant-appellant seeks to confuse the issues in this case by the use of immaterial, irrelevant and scandalous matter which both by the revised rules of the Supreme Court of the United States, Rule 40(5) as well as general principles of law are to be weighed heavily against the party employing such methods.

The petitioner in his petition, page 5 makes reference to a bill introduced in Congress the contents of which are unexplained and the purpose of its introduction is entirely irrelevant to the case at hand.

The petition, page 4 discusses the Lanham Act, 17 U. S. C. 1050 *et seq.*, and questions of federal jurisdiction created thereunder. As petitioner is well aware, the basis for the jurisdiction of the court of first instance in the instant case was based upon diversity of citizenship as was ably set forth by Judge Byers in his opinion annexed to the petition, page [1b] " * * * it [the instant case] is a true diversity case."

On page 7 the petitioner again alludes to the provisions of the Lanham Act *supra*, without any showing of the materiality of the statute. All reference to jurisdiction and provisions of that act are entirely immaterial to the issues here involved as the plaintiffs-appellees have never sought its rights under this statute.

The petitioner has accused the appellees of deliberately evading its responsibility to the public (petition, p. 7) which is irrelevant, immaterial and certainly scandalous.

This court should not permit the petition any recognition in view of the complete disregard of the rules of this court and as the material contained in the brief is in direct conflict with accepted rules of pleading.

POINT II

The prior dismissal of a proceeding in the State Court is not *res adjudicata*.

The Petition contains reference to a prior holding made by the Supreme Court of the State of New York (pp. 8-9 of the moving petition). To avoid confusion in this regard appellees annex hereto Exhibit A, a copy of the memorandum opinion of Judge Zavatt, 126 USPQ 352 (1960) which decision held that it is the established law of the State of New York that a determination in such a special proceeding is not *res adjudicata* and is not a bar to a plenary action; *Overseas News Agency Inc.* v. *Overseas Press Inc., et al.*, 185 Misc. 1010, 58 N. Y. S. 2d 540, aff'd 270 App. Div. 754, 59 N. Y. S. 2d 913.

In that case, the situation was identical with the one at bar. There, the opinion pointed out the following:

> "The prior proceeding and the present action therefore differ materially and essentially and different proof and evidence are required to sustain each. The bar of res adjudicata is inapplicable where causes of action differ 'materially and essentially' (Shepard Co. v. Zachary P. Taylor Publishing Co., 198 App. Div. 638, 642, 190 N. Y. S. 834, 840, affirmed 234 N. Y. 465, 138 N. E. 409) or where 'different proofs would be required to sustain the two actions'. Lipkind v. Ward, 256 App. Div. 74, 78, 8 N. Y. S. 2d 832, 836."

POINT III

New York State law in this area is in conformity with the determination of the decisions of the lower courts herein.

The statement in petitioner's brief, Point 3, in the instant matter, beside being in error as to the doctrine of *Erie RR Co.* v. *Tompkins*, 304 U. S. 64 (1938) as the same does not apply in the instant case, this case being one based on a suit in equity and the doctrine of *Erie* having been

applied to suits at law is similarly in error as to the law of the State of New York. The following excerpts are intended to cover some of the highlights of the law in New York State:

> "Proof of actual confusion is not essential to plaintiff's right to an injunction. In Taendsticks Fabriks Akticbolagat Vulcan v. Meyers, et al., 139 N. Y. 364, 367, 34 N. E. 904, 905, the court said: 'No evidence was given or offered to show that any person had actually been deceived by the imitation of the plaintiff's trade-mark, and we think that none was necessary for the maintenance of the action. It is the liability to deception which the remedy may be invoked to prevent.'
>
> 'Other authorities support this rule. New York World's Fair 1939 Inc. v. World's Fair, News Inc., 256 App. Div. 373, 10 N.Y.S. 2d 56; 2 Callman, The Law of Unfair Competition and Trade-Marks (1945), Chapter 20, Sec. 80.6, pp. 1124-27."
>
> *Famous Sea Food House v. Skouras,* 272 A. D. 258, 70 N.Y.S. 2d 702, 704.

In *Peerless Electric Co.* v. *Peerless,* 206 Misc. 965, 135 N. Y. Supp. 2d 885, 889 it appeared that there was at least one and perhaps a number of companies using the same trade name in question. The Court held:

> "The failure of the plaintiff to take action against such users does not constitute an abandonment of its right to protect its name."

In *Vaudable* v. *Montmartre, Inc.,* 193 N. Y. Supp. 2d 332, the Court held:

> "Mere failure to proceed against users of the name in other fields or areas is not such acquiescence as precludes the granting of injunctive relief against the present defendants in a field or area where plaintiffs' interests are involved."

New York has granted an injunction where a restaurant in Paris sought to enjoin a restaurant in New York. *Maison Prunier* v. *Prunier Restaurant & Cafe*, 288 N.Y.S. 529.

The cases in New York and Florida clearly hold that personal names when used may be used truthfully and in good faith or their use will be enjoined; *87 C. J. S. 361*; *Oakite Products* v. *Borwitz*, 161 Misc. 807, 293 N.Y.S. 399; *Robert Reis & Co.* v. *Herman B. Reiss Inc.*, 63 N.Y.S. 2d 786; *Ziegfeld* v. *Conklin*, 50 N.Y.S. 2d 906; *May* v. *May*, 45 So. 2d 494 (Fla.); *Gottdiener* v. *Joe's Restaurant*, 111 Fla. 741, 149 So. 646; *S. C. Johnson & Son* v. *Johnson*, 28 F. Supp. 744, rev'd on other grounds, 116 F. 2d 427.

The one case cited by petitioner *Dell Publishing Co. Inc.* v. *Stanley Publications, Inc.*, 9 N.Y. 2d 126, 211 N.Y.S. 2d 393 (1961), was decided upon the question of the evidence warranting the findings of the court and the petition herein does not take issue with the findings of the lower courts in the instant matter but rather seeks to again confuse the courts as to the present state of the law.

POINT IV

The plaintiffs are entitled to an injunction to protect their trade name.

> "Interestingly enough, this problem of protection of names of eating places has come up in quite a number of cases involving restaurants whose proprietors claim to have built up far-reaching reputations for themselves. In every instance but one * to which our attention has been called, the plaintiff has received full protection for the value of his name. Stork Restaurant Inc. v. Sahati, 9 Cir. 1948, 166 F. 2d 348; Nagrom Corp. v. Cock'N Bull Inc., D. C. 1957,

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* This footnote referred to *El Chico Inc.* v. *El Chico Cafe*, 5th Cir. 1954, 214 F. 2d 721; cf. *Faciane* v. *Starner*, 5th Cir. 1956, 230 F. 2d 732, involving a very obscure bar and grill of no material consequence and found the parties not to be in the same kind of business.

149 F. Supp. 217; Ambassador East, Inc. v. Shelton Corners, Inc., D. C. S. D., N. Y. 1954, 120 F. Supp. 551; Stork Restaurant Inc. v. Marcus, D. C. E. D. Pa. 1941, 36 F. Supp. 90; Brass Rail Inc. v. Ye Brass Rail of Massachusetts, Inc., D. C. Mass. 1938, 43 F. Supp. 671; 51 West Fifty-First Corp. v. Roland, 1946, 139 N. J. Eq. 156, 50 A. 2d 369; Maison Prunier v. Prunier's Restaurant & Cafe, Inc., Sup. Ct. 1936, 159 Misc. 551, 228 N. Y. S. 529; See Bill's Gay Nineties, Inc. v. Fisher, Sup. Ct. 1943, 180 Misc. 721, 41 N. Y. S. 2d 234; cf. Pike v. Ruby Foo's Den, Inc., 1956, 98 U. S. App. D. C. 126, 232 F. 2d 683."

Ambassador East Inc. v. *Orsatti, Inc.*, 257 F. 2d 79, 82.

Conclusion

Rule 19 of the Revised Rules of the Supreme Court of the United States provides:

> "1. A review on writ of certiorari is not a matter of right, but of sound judicial discretion, which will be granted only where there are special and important reasons therefore."

The petition fails to show any such "special or important reason."

The petition for a Writ of Certiorari should be denied.

Respectfully submitted,

SHAPIRO, GUBMAN & SITOMER,
Attorneys for Appellees,
1841 Broadway,
New York 23, New York.

IRVING SONNENSCHEIN
of SONNENSCHEIN & SHERMAN,
of Counsel.

APPENDIX

Exhibit A

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF NEW YORK

Civil No. 16936

———o———

LINCOLN RESTAURANT CORP. and COLLINS RESTAURANT CORP., doing business as a joint venture under the firm name and style of WOLFIES and WOLFIES TWENTY-FIRST STREET RESTAURANT, INC.,

Plaintiffs,

against

WOLFIES REST. INC.,

Defendant.

———o———

March 25, 1960

MEMORANDUM

This is a common law unfair competition action, based upon the allegedly improper use by the defendant of the name "Wolfies" which (as alleged in paragraph "Sixteenth" of the complaint) "may deceive or mislead the public as to the identity of the person, firm or corporation owning the defendant's, or as to the connection that the owners of the said restaurant may have with the plaintiffs, or their licensee." Although this action was instituted in 1956 and the defendant interposed in its answer a separate and distinct defense of res judicata, the defendant did not make the present motion to dismiss the complaint until the

case was set down for trial on the March 1960 calendar of this court.

The defendant moves, pursuant to Rule 56 of the Federal Rules of Civil Procedure, for summary judgment upon the ground that a prior, identical action, instituted by the same plaintiffs against the same defendant in the Supreme Court of Kings County, New York, was dismissed by an order of that court dated December 3, 1954 and that, therefore, the defendant is entitled to a judgment as a matter of law.

The so-called prior action was in fact an application made pursuant to § 964 of the New York Penal Law which makes it a misdemeanor for any person, firm or corporation, "with intent to deceive or mislead the public," to use any name, designation or symbol for the purposes of trade which may deceive or mislead the public as to his or its identity or as to his or its connection with another person, firm or corporation. A proceeding under that section of the Penal Code is summary in nature. In the answer of the defendant to the plaintiffs' petition in that proceeding, the defendant contended that "The petition fails to set forth facts sufficient to entitle plaintiffs to the drastic remedy of injunction in a special statutory proceeding of this nature." Now and in the instant action, however, the defendant contends that that prior proceeding and the present action are identical.

An application under § 964 of the New York Penal Law (commonly denoted a motion) will be denied where there is a factual issue as to the alleged intent to deceive. *Directory Publishing Corp.* v. *Suburban Classified Directory Corp.*, 4 Misc. 2d 850, 162 N. Y. S. 2d 236 (1956). See also *Spitz* v. *Lesser*, 302 N. Y. 490 (1951). The statute is designed to afford "summary protection of the public against deception • • • where the languid processes of an ordinary issue between private litigants will not suffice for that purpose." *Agash Refining Corp.* v. *Gash*, 182 Misc. 309, 50 N. Y. S.

2d 927 (1943). Before such a summary and sweeping remedy is granted, the proof in support of the application must be clear and convincing that the statute is or may be violated or that the public is in present danger of harm through deception, *Agash Refining Corp.* v. *Gash*, *supra*, and the court must be satisfied that there was an intent to deceive. *American White Cross Laboratories, Inc.* v. *Gotham Aseptic Laboratory, Inc.*, 81 N. Y. S. 2d 548 (1948).

In an action for unfair competition, on the other hand, it is not essential to allege or prove an intent to deceive the public. The test is, rather, whether the use by a defendant of a plaintiff's name or mark is likely to confuse or mislead the public and injure the plaintiff's name, reputation, good will or business. *Harvey Machine Co. Inc.* v. *Harvey Aluminum Corp.*, 9 Misc. 2d 1078, 175 N. Y. S. 2d 288 (1957), appeal dismissed, 4 App. Div. 2d 1014, 170 N. Y. S. 2d 969 (1957).

The prior proceeding under § 964 of the New York Penal Law and the present action differ materially and essentially and different proof and evidence are required to sustain each. The law of res judicata is inapplicable. *Overseas News Agency, Inc.* v. *Overseas Press, Inc.*, 185 Misc. 1010, 58 N. Y. S. 2d 540 (1945), *aff'd* 270 App. Div. 754, 59 N. Y. S. 2d 913 (1946).

The defendant's motion for summary judgment is denied Settle order within ten days from the date hereof.

(Signature illegible)
U. S. D. J.